

1 Section 1. Section four hundred twenty-two point five
2 (422.5), unnumbered paragraph two (2), Code 1973, is amended
3 to read as follows:

4 However, no tax shall be imposed on any resident or non-
5 resident whose net income, as defined in section 422.7, is
6 ~~three~~ four thousand dollars or less; but in the event that
7 the payment of tax under this division would reduce the net
8 income to less than ~~three~~ four thousand dollars, then the
9 tax shall be reduced to that amount which would result in
10 allowing the taxpayer to retain a net income of ~~three~~ four
11 thousand dollars. The preceding sentence does not apply to
12 estates or trusts. For the purpose of this paragraph, the
13 entire net income, including any part thereof not allocated
14 to Iowa, shall be taken into account. If the combined net
15 income of a husband and wife exceeds ~~three~~ four thousand dol-
16 lars, neither of them shall receive the benefit of this
17 paragraph, and it is immaterial whether they file a joint
18 return or separate returns. An unmarried child under twenty-
19 one years of age who is a dependent of his parent or parents
20 as defined in section 422.12, shall not receive the benefit
21 of this paragraph if such parent's net income exceeds ~~three~~
22 four thousand dollars or if the combined net income of such
23 parents exceeds ~~three~~ four thousand dollars.

24 Sec. 2. Section four hundred twenty-two point thirteen
25 (422.13), subsections one (1) and two (2), Code 1973, are
26 amended to read as follows:

27 1. Every resident of Iowa who is required to file a federal
28 income tax return under the Internal Revenue Code of 1954,
29 or who has a net income of ~~one~~ two thousand dollars or more
30 for the tax year from sources taxable under this division,
31 shall make and sign a return.

32 2. Every nonresident who is required to file a federal
33 income tax return under the Internal Revenue Code of 1954
34 and who has a net income of ~~one~~ two thousand dollars or more
35 for the tax year from sources taxable under this division,

1 shall make and sign a return.

2 Sec. 3. The provisions of this Act shall be effective
3 for tax periods beginning on or after January 1, 1973.

4 EXPLANATION

5 This bill raises the income level to \$2,000 for the filing
6 of an individual income tax return thereby eliminating the
7 needless filing of returns. The bill further provides for
8 exempting from tax those persons whose taxable income is
9 \$4,000 or less, which creates a tax benefit for low-income
10 people.

FISCAL NOTE

Date prepared February 21, 1973
Requested by Senator Shaff, et al.
Prepared in regard to S.F. 234 - An Act relating to
individual income tax. Following is the fiscal effect in
dollars of the legislative proposal as required by Senate
Rule 31.

Exempting from individual income tax those persons
whose taxable income is \$4,000 or less would decrease
individual income tax revenue to the General Fund by
approximately \$3,000,000 each year.

Source: Department of Revenue.

Filed
February 21, 1973

GERRY D. RANKIN
Legislative Fiscal Director

S-157

1 Amend S-150 to page 2 of Senate File 234, by Riley,
Gluba and
2 Willits, filed February 26, 1973, as follows:
3 Page 1, line 20, by inserting after the word
"section," the words
4 "for three taxable years or".
5 Page 1, line 21, by inserting after the word
"exhausted" the words
6 ", whichever occurs first."

Filed - *Filed out of order 3/5* By ORR
February 27, 1973

32
33
34
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S-150

1 Amend Senate File 234, page 2, by adding after line 23
the
2 following new section and renumbering the remaining
sections:
3 Sec. _____. Section four hundred twenty-two point
nine
4 (422.9), Code 1973, is amended by adding the following
new
5 subsections:
6 NEW SUBSECTION. The total deductions allowable
under this
7 section are subject to one of the following
limitations, at
8 the taxpayer's option:
9 a. A maximum amount for all allowable deductions,
10 other than the allowable deductions for medical
expense and non-
11 reimbursable casualty losses, equal to twenty-five
percent of
12 the taxpayer's net income, plus the total allowable
deductions
13 for medical expense and nonreimbursable casualty losses.
14 b. A maximum amount for all allowable deductions
equal
15 to fifty percent of the taxpayer's net income.
16 NEW SUBSECTION. It is further provided that any
otherwise
17 allowable deduction in excess of the allowable maximum
limits
18 provided in this section may be carried forward by the
taxpayer
19 to succeeding tax years and shall be eligible for
deduction,
20 subject to the maximum allowable limitations in this
section,
21 until fully exhausted.

Filed - *Printed out of order 3/5*
February 26, 1973

By RILEY, GLUBA and WILLITS

S--155

1 Amend the Riley, et al amendment S-150 to page 2 of
2 Senate File 234 by striking all after line 2 and inserting
3 in lieu thereof the following:
4 "Sec. ____ . Section four hundred twenty-two point
5 (422.9), subsection two (2), b, Code 1973, is amended ^{nine}
6 read as follows: ^{to}
7 b. Add the amount of federal income taxes paid or
8 accrued as the case may be, during the tax year,
9 by any federal income tax refunds. Provided, however, ^{adjusted}
10 where married persons, who have filed a joint federal ^{that}
11 tax return, file separately, such total shall be ^{income}
12 between them according to the portion thereof paid or ^{divided}
13 as the case may be, by each; and provided further that ^{accrued,}
14 a taxpayer has used an optional standard deduction on ^{where}
15 federal return, he shall use the optional standard ^{his}
16 provided for above. The federal income tax deduction ^{deduction}
17 only be allowed on that amount of income which is ^{shall}
18 to Iowa tax. ^{subject}

Filed - *Revised out of order 3/5*
February 27, 1973

By SHAFF and CURTIS

H-729

1 Amend Senate File 234, as passed by the Senate, as
2 follows:

3 1. Page 2, by inserting before line 1 the follow-
4 ing:

5 Section 1. Section four hundred twenty-two point
6 five (422.5), subsection seven (7), Code 1973, is
7 amended to read as follows:

8 7. On all-taxable-income-over-nine the tenth
9 through the fifteenth thousand dollars of taxable
10 income, or any part thereof, seven percent.

11 Sec. 2. Section four hundred twenty-two point
12 five (422.5), Code 1973, is amended by adding the
13 following new subsections:

14 NEW SUBSECTIONS.

15 8. On the fifteenth through the thirtieth
16 thousand dollars of taxable income, or any part there-
17 of, eight percent.

18 9. On the thirty-first through the forty-fifth
19 thousand dollars of taxable income, or any part
20 thereof, nine percent.

21 10. On the forty-sixth through the sixtieth thou-
22 sand dollars of taxable income, or any part thereof,
23 ten percent.

24 11. On the sixty-first through the seventy-fifth
25 thousand dollars of taxable income, or any part
26 thereof, eleven percent.

27 12. On all taxable income over seventy-five thou-
28 sand dollars, twelve percent.

29 2. By renumbering the sections to conform with
30 this amendment.

H-729 Filed - *Revised and german 6/11* By EGENES of Story
June 8, 1973

FISCAL NOTE
SENATE FILE 234
AMENDMENT H-727

Date prepared April 11, 1973

Requested by Representative Egenes.

Prepared in regard to Egenes Amendment H-727 to S.F. 234 -
Relating to individual income tax. Following is the fiscal
effect in dollars of the legislative proposal as required by
House Rule 48.

It is estimated that this proposed amendment would
provide additional revenue as follows:

<u>Taxable Income Bracket</u>	<u>Rate</u>	<u>Additional Revenue</u>
9,001 - 25,000	7%	
25,001 - 50,000	8%	
50,001 - 75,000	9%	
Over 75,000	10%	\$1.3 million

Source: Department of Revenue.

Filed
June 8, 1973

GERRY D. RANKIN
Legislative Fiscal Director

H-727

1 Amend Senate File 234, as passed by the Senate, as
2 follows:
3 1. Page 2, by inserting before line 1 the follow-
4 ing:
5 Section 1. Section four hundred twenty-two point
6 five (422.5), subsection seven (7), Code 1973, is
7 amended to read as follows:
8 7. On ~~all-taxable-income-over-nine~~ the tenth
9 through the twenty-fifth thousand dollars of taxable
10 income, or any part thereof, seven percent.
11 Sec. 2. Section four hundred twenty-two point
12 five (422.5), Code 1973, is amended by adding the
13 following new subsections:
14 NEW SUBSECTIONS.
15 8. On the twenty-sixth through the fiftieth thou-
16 sand dollars of taxable income, or any part thereof,
17 eight percent.
18 9. On the fifty-first through the seventy-fifth
19 thousand dollars of taxable income, or any part there-
20 of, nine percent.
21 10. On all taxable income over seventy-five thou-
22 sand dollars, ten percent.
23 2. By renumbering the sections to conform with
24 this amendment.

H-727 Filed *Revised out germane 6/11* By EGENES of Story
June 8, 1973

FISCAL NOTE
SENATE FILE 234
AMENDMENT H-728

Date prepared April 11, 1973

Requested by Representative Egenes.

Prepared in regard to Egenes Amendment H-728 to S.F. 234 -
Relating to individual income tax. Following is the fiscal
effect in dollars of the legislative proposal as required
by House Rule 48.

It is estimated that this proposed amendment would provide
additional revenue as follows:

<u>Taxable Income Bracket</u>	<u>Rate</u>	<u>Additional Revenue</u>
9,000 - 20,000	7%	
20,001 - 40,000	8%	
40,001 - 60,000	9%	
60,001 - 80,000	10%	\$2.7 million
80,001 -100,000	11%	
Over 100,000	12%	

Source: Department of Revenue.

Filed
June 8, 1973

GERRY D. RANKIN
Legislative Fiscal Director

H-728

1 Amend Senate File 234, as passed by the Senate, as
2 follows:

3 1. Page 2, by inserting before line 1 the follow-
4 ing:

5 Section 1. Section four hundred twenty-two point
6 five (422.5), subsection seven (7), Code 1973, is
7 amended to read as follows:

8 7. On all-taxable-income-over-nine the tenth
9 through the twentieth thousand dollars of taxable
10 income, or any part thereof, seven percent.

11 Sec. 2. Section four hundred twenty-two point
12 five (422.5), Code 1973, is amended by adding the
13 following new subsections:

14 NEW SUBSECTIONS.

15 8. On the twenty-first through the fortieth
16 thousand dollars of taxable income, or any part
17 thereof, eight percent.

18 9. On the forty-first through the sixtieth thou-
19 sand dollars of taxable income, or any part thereof,
20 nine percent.

21 10. On the sixty-first through the eightieth thou-
22 sand dollars of taxable income, or any part thereof,
23 ten percent.

24 11. On the eighty-first through the one hundredth
25 thousand dollars of taxable income, or any part
26 thereof, eleven percent.

27 12. On all taxable income over one hundred thousand
28 dollars, twelve percent.

29 2. By renumbering the sections to conform with
30 this amendment.

H-728 Filed *Revised not germane 6/11* By EGENES of Story
June 8, 1973

FISCAL NOTE
SENATE FILE 234
AMENDMENT H-729

Date prepared April 11, 1973

Requested by Representative Egenes.

Prepared in regard to Egenes Amendment H-729 to S.F. 234 -
Relating to individual income tax. Following is the fiscal
effect in dollars of the legislative proposal as required by
House Rule 48.

It is estimated that this proposed amendment would
provide additional revenue as follows:

<u>Taxable Income Bracket</u>	<u>Rate</u>	<u>Additional Revenue</u>
\$ 9,001 - 15,000	7%	
15,001 - 30,000	8%	
30,001 - 45,000	9%	
45,001 - 60,000	10%	\$3.7 million
60,001 - 75,000	11%	
Over 75,000	12%	

Source: Department of Revenue.

Filed
June 8, 1973

GERRY D. RANKIN
Legislative Fiscal Director

FISCAL NOTE
SENATE FILE 234

Date prepared June 11, 1973

Requested by Representative Rapp, et al:
Prepared in regard to Senate File 234, Rapp et al. amendment
H-741 thereto - An Act relating to individual income tax.
Following is the fiscal effect in dollars of the legislative
proposal as required by House Rule 48.
Rapp et al. amendment H-741 to Senate File 234
No estimate available at this time.

Filed
June 11, 1973

GERRY D. RANKIN
Legislative Fiscal Director

H-743

- 1 Amend Senate File 234, as passed by the Senate, as
2 follows:
3 1. Page 2, by inserting after line 23 the follow-
4 ing section:
5 Sec. _____. Section four hundred twenty-two point
6 nine (422.9), subsection one (1), Code 1973, is amended
7 to read as follows:
8 1. An optional standard deduction of five twelve
9 percent of the net income after deduction of federal
10 income tax, not to exceed two seven hundred fifty
11 dollars for a single person or a married person who
12 files separately, or one thousand five hundred dollars
13 for a husband and wife who file a joint return.
14 2. By renumbering sections and correcting internal
15 references in accordance with this amendment.

H-743 Filed, offered and withdrawn
June 11, 1973

By NORLAND of Worth